

## **Attachment 20: Statement of Financing Adjustments**

As stated in Attachment 19, Treasury requires all Federal Agencies to capture the current year purchases that are capitalized into memorandum USSGL accounts 8801/8802. These accounts are used to populate line 15 in the Statement of Financing.

Actual amounts should be used to populate USSGL accounts 8801/8802, if possible. If actual amounts cannot be obtained, estimate the amount utilizing the following formula or your best method:

The formula to calculate USSGL accounts 8801/8802 for line 15 should be (Ending Balance - Beginning Balance of asset accounts) + or – transfers in/out + cost of goods sold = new purchases. Whether transfers in/out will be added or subtracted in this formula depends on whether line 7 on the Statement of Financing is positive or negative. If line 7 is positive, subtract the amount. If line 7 is negative, add the amount. This requirement applies to entities that are calculating USSGL accounts 8801/8802 by taking the net change in the asset accounts.

In many instances, the above calculation will still result in a “disconnect” among the Statement of Financing, Statement of Changes in Net Position, and Statement of Net Costs. An asset account with a “Fin 15” attribute can be used to bring the three statements into agreement. Only this “adjustment” amount should be reported with a “Fin 15” attribute.

Line 27 of the Statement of Financing may also be used to adjust amount on other lines of the Statement of Financing. However, it is imperative that the “PMI 31” attribute be used with any adjustments being made to Line 27 of the Statement of Financing.

The absolute value of the amount needed to “adjust” the Statement of Financing must be forwarded to DFAS-Arlington by the 13<sup>th</sup> calendar day for quarterly statements. This information is required by the 19th calendar day for year-end statements. This adjustment must also be included in the unsupported amount in the JV metric whether a journal voucher was actually prepared or not.

| Any questions about this guidance should be directed to Sherri’ L. Anthony at 703-601-3010.